GOVERNMENT OF INDIA
DEFENCE
LOK SABHA

UNSTARRED QUESTION NO:6732
ANSWERED ON:08.05.2003
TRANSPARENCY IN DEFENCE DEAL
A. VENKATESH NAIK;ASHOK NAMDEORAO MOHOL;KAILASH MEGHWAL;RAMSHETH THAKUR

Will the Minister of DEFENCE be pleased to state:

(a) the steps taken to bring transparency in defence deals after the revelation of facts in the film made by the Tehelka.com;

(b) whether the Government has prepared new policy to check the kickoffs in defence deals;

(c) if so, the details thereof;

(d) the extent to which the said new policy has been successful; and

(e) the number of defence deals in which this new policy has been implemented?

Answer

MINISTER OF DEFENCE (SHRI GEORGE FERNANDES)

(a) Subsequent to the Kargil operations and prior to the revelation by Tehelka.com, Government had set in motion the efforts to make changes in the higher defence management including the procurement set up. A Defence Acquisition Council and a Defence Procurement Board, chaired by the Raksha Mantri and Defence Secretary respectively, with senior level representation of all Departments and Service Hqrs in the Ministry to oversee and give directions on defence procurements have been set up.An arrangement for mandatory and time bound scrutiny of all major procurement cases, worked out in consultation with Central Vigilance Commission & Comptroller & Auditor General is in place.The new Defence Procurement Procedure (DPP) has come into force from 31st December 2002.

(b) & (c): It is not the policy of the Government to encourage agents. The role of authorised Indian representatives/agents of foreign suppliers have however been defined and a system of registration laid down. The penal provisions to combat corruption in defence purchases remain unchanged.

(d) It is too early to assess the impact of the procurement procedures.

(e) All defence deals are now being dealt with in accordance with the DPP-2002.